



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE BEGINNING OF ADMINISTRATIVE FINE CASE # 2744

DATE SCANNED 2/7/19

SCANNER NO. 2

SCAN OPERATOR ESS

14092694127



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2013 MAY 28 PM 12:38

May 24, 2013

MEMORANDUM

SENSITIVE

TO: The Commission

THROUGH: *AP* Alec Palmer *AP*
Staff Director

FROM: Patricia C. Orrock *AC/PCO*
Chief Compliance Officer

Debbie Chacona *DC*
Assistant Staff Director
Reports Analysis Division

BY: Kristin DeCarminc *KD*
Compliance Branch

SUBJECT: Reason to Believe Recommendation -
Failure to File 48-Hour Notices under the Administrative Fine Program

Attached is the name of a principal campaign committee that has failed to file 48-hour notices with the Commission for contributions of \$1,000.00 or more received from the close of books for the Ohio 12 Day Pre-General Report to 48 hours before the November 6, 2012 General Election in accordance with 2 U.S.C. § 434(a) and 11 CFR. § 104.5(f). The committee, Jim Renacci for Congress, represents a candidate who won the General Election. The committee is being referred for failing to file a 48-hour notice for a contribution (candidate loan) of \$96,393.90.

A 48-hour notice is required to report all contributions of a \$1,000.00 or more, to any authorized committee of a candidate, including contributions from the candidate, loans from the candidate and other non-bank sources and endorsements or guarantees of loans from banks, as per 11 CFR § 104.5(f).

We have attached an information sheet which includes the contributor name, date of receipt and amount of the contribution for which a 48-hour notice was not filed.

In accordance with the schedule of civil money penalties outlined within 11 CFR § 111.44, this committee should be assessed the civil money penalty so indicated.

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Recommendation

1. Find reason to believe that Jim Renacci for Congress and Russell Corwin, Treasurer, violated 2 U.S.C. § 434(a) and make a preliminary determination that a civil money penalty of \$9,749.00 be assessed.
2. Send the appropriate letter.

Attachment

14092694129

Contributions for Which a 48-Hour Notice Was Not Received

AF 2744

Committee ID: C00466359

Committee Name: Jim Renacci for Congress

Report Type: Amended 30 Day Post General Report (10/18/12 – 11/26/12), received 1/31/13

48-Hour Reporting Period: 10/18/2012 – 11/3/2012

CONTRIBUTOR	DATE	AMOUNT	REPORTING PERIOD
James B. Renacci	10/30/2012	\$96,393.90	GENERAL
	TOTAL	\$96,393.90	

Proposed Civil Money Penalty: \$9,749.00 ((1 Notice Not Filed at \$110 each) + (10% of the Overall Contributions Not Filed))

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5/24/2013 1:06 PM

Federal Election Commission
Reason to Believe Circulation Report
48-Hour Notification Report

AF#	Committee ID	Committee Name	State	Election	Candidate Name	Treasurer	Prev Violations	Notices Not Filed	LOA	Penalty
2744	C00468359	JIM RENACCI FOR CONGRESS	OH	2012	RENACCI, JAMES B	CORWIN, RUSSELL	0	1	\$96,393	\$9,749

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Reason To Believe Recommendation –) AF 2744
Failure to File 48-Hour Notices under the)
Administrative Fine Program: Jim)
Renacci for Congress and Russell)
Corwin, Treasurer)

CERTIFICATION

I, Shawn Woodhead Werth, Secretary and Clerk of the Federal Election Commission, do hereby certify that on May 29, 2013, the Commission decided by a vote of 5-0 to take the following actions in AF 2744:

1. Find reason to believe that Jim Renacci for Congress and Russell Corwin, Treasurer, violated 2 U.S.C. § 434(a) and make a preliminary determination that a civil money penalty of \$9,749.00 be assessed.
2. Send the appropriate letter.

Commissioners Hunter, McGahn II, Petersen, Walther, and Weintraub voted affirmatively for the decision.

Attest:

May 30, 2013
Date

Shawn Woodhead Werth
Shawn Woodhead Werth
Secretary and Clerk of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 30, 2013

Russell Corwin, in official capacity as Treasurer
Jim Renacci for Congress
150 Smokerise Drive
Wadsworth, OH 44281

C00466359
AF#: 2744

Dear Mr. Corwin:

The Federal Election Campaign Act of 1971, as amended, 2 U.S.C. § 431, *et seq.* ("the Act"), requires principal campaign committees of candidates for federal office to notify in writing either the Secretary of the Senate or the Federal Election Commission ("FEC"), and the Secretary of State, as appropriate, of any contribution of \$1,000 or more, received by any authorized committee of the candidate after the 20th day, but more than 48 hours before, any election. 2 U.S.C. § 434(a)(6)(A). The Act further requires notification to be made within 48 hours after the receipt of the contribution and to include the name of the candidate and office sought, the date of receipt, the amount of the contribution, and the identification of the contributor. *Id.* These notification requirements are in addition to all other reporting requirements. 2 U.S.C. § 434(a). Our records indicate that Jim Renacci for Congress did not submit 48-Hour Notices for contributions of \$1,000 or more, received on October 30, 2012, totaling \$96,393, as required by 2 U.S.C. § 434(a)(6)(A). Attachment 1.

The Act permits the FEC to impose civil money penalties for violations of the reporting requirements of 2 U.S.C. § 434(a). 2 U.S.C. § 437g(a)(4). On May 29, 2013, the FEC found that there is Reason to Believe ("RTB") that Jim Renacci for Congress and you, in your official capacity as treasurer, violated 2 U.S.C. § 434(a) by failing to file the 48-Hour Notices. Based on the FEC's schedule of civil money penalties at 11 CFR § 111.44, the amount of your civil money penalty calculated at the RTB stage is \$9,749. Please see the attached copy of the Commission's administrative fine regulations at 11 CFR §§ 111.30-111.55. Attachment 2. The Commission's website contains further information about how the administrative fine program works and how the fines are calculated. <http://www.fec.gov/af/af.shtml>. 11 CFR § 111.34. The amount of the civil money penalty is \$110 for each non-filed notice plus 10 percent of the dollar amount of the contributions not timely reported. The civil money penalty increases by 25 percent for each prior violation. Send your payment of \$9,749 within forty (40) days of the finding, or by July 8, 2013.

At this juncture, the following courses of action are available to you:

1. If You Choose to Challenge the RTB Finding and/or Civil Money Penalty

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If you should decide to challenge the RTB finding and/or calculated civil money penalty, you must submit a written response, including the AF# found at the top of page 1 under your committee's identification number, to the FEC's Office of Administrative Review, 999 E Street, NW, Washington, DC 20463. Your response must be received within forty (40) days of the Commission's RTB finding, or July 8, 2013. 11 CFR § 111.35(a). Your written response must include the reason(s) why you are challenging the RTB finding and/or calculated civil money penalty, and must include the factual basis supporting the reason(s) and supporting documentation. The FEC strongly encourages that documents be submitted in the form of affidavits or declarations. 11 CFR § 111.36(c).

The FEC will only consider challenges that are based on at least one of three grounds: (1) a factual error in the RTB finding; (2) miscalculation of the calculated civil money penalty by the FEC; or (3) your demonstrated use of best efforts to file in a timely manner when prevented from doing so by reasonably unforeseen circumstances that were beyond your control. 11 CFR § 111.35(b). In order for a challenge to be considered on the basis of best efforts, you must have filed the required report no later than 24 hours after the end of these reasonably unforeseen circumstances. *Id.* Examples of circumstances that will be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) a failure of Commission computers or Commission-provided software despite your seeking technical assistance from Commission personnel and resources; (2) a widespread disruption of information transmissions over the Internet that is not caused by a failure of the Commission's or your computer systems or Internet service provider; and (3) severe weather or other disaster-related incident. 11 CFR § 111.35(c). Examples of circumstances that will not be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) negligence; (2) delays caused by vendors or contractors; (3) treasurer and staff illness, inexperience or unavailability; (4) committee computer, software, or Internet service provider failures; (5) failure to know filing dates; and (6) failure to use filing software properly. 11 CFR § 111.35(d).

The "failure to raise an argument in a timely fashion during the administrative process shall be deemed a waiver" of your right to present such argument in a petition to the U.S. district court under 2 U.S.C. § 437g. 11 CFR § 111.38.

If you intend to be represented by counsel, please advise the Office of Administrative Review. You should provide, in writing, the name, address and telephone number of your counsel and authorize counsel to receive notifications and communications relating to this challenge and imposition of the calculated civil money penalty.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Submit a Challenge

If you do not pay the calculated civil money penalty and do not submit a written response, the FEC will assume that the preceding factual allegations are true and make a final determination that Jim Renacci for Congress and you, in your official capacity as treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty.

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA"), as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701 *et seq.* The FEC may take any and all appropriate

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action authorized and required by the DCA, as amended, including transfer to the U.S. Department of the Treasury for collection. 11 CFR § 111.51(a)(2).

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the calculated civil money penalty, send the enclosed remittance form, along with your payment, to the FEC at the address on page 4. Upon receipt of your payment, the FEC will send you a final determination letter.

NOTICE REGARDING PARTIAL PAYMENTS AND SETTLEMENT OFFERS

4. Partial Payments

If you make a payment in an amount less than the calculated civil money penalty, the amount of your partial payment will be credited towards the full civil money penalty that the Commission assesses upon making a final determination.

5. Settlement Offers

If you make a payment in an amount less than the calculated civil money penalty as an offer to settle or compromise a debt owed to the Commission, the offer is herewith rejected despite any restrictive endorsements contained on your check or money order or proposed in correspondence transmitted with your check or money order. Acceptance and deposit or cashing of such a restricted payment does not constitute acceptance of the settlement offer. Payments containing restrictive endorsements will be deposited and treated as a partial payment towards the civil money penalty that the Commission assesses upon making a final determination. All unpaid civil money penalty amounts remaining will be subject to the debt collection procedures set forth in Section 2, above.

This matter was generated based on information ascertained by the FEC in the normal course of carrying out its supervisory responsibilities. 2 U.S.C. § 437g(a)(2). It will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and 437g(a)(12)(A) until it is placed on the public record in accordance with 11 CFR § 111.42, unless you notify the FEC in writing that you wish the matter to be made public.

As noted earlier, you may obtain additional information on the FEC's administrative fine program, including the final regulations, on the FEC's website at <http://www.fec.gov/af/af.shtml>. If you have questions regarding the payment of the calculated civil money penalty, please contact David Garr in the Reports Analysis Division at our toll free number (800) 424-9530 (at the prompt press 5) or (202) 694-1130. If you have questions regarding the submission of a challenge, please contact the Office of Administrative Review at our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

On behalf of the Commission,

Ellen L. Weintraub

Ellen L. Weintraub
Chair

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ADMINISTRATIVE FINE REMITTANCE & PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 CFR § 111.44, the amount of your civil money penalty calculated at RTB is \$9,749 for the 2012 General Election 48-Hour Notification Report.

Please mail this remittance with a check or money order made payable to the Federal Election Commission to the following address:

Federal Election Commission
P.O. Box 979058
St. Louis, MO 63197-9000

If you choose to send your remittance and payment by courier or overnight delivery, please use this address:

U.S. Bank - Government Lockbox
FEC #979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

The remittance and your payment are due by July 8, 2013. Upon receipt of your remittance and payment, the FEC will send you a final determination letter.

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTS). Your account will be electronically debited for the amount on your check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: Jim Renacci for Congress

FEC ID#: C00466359

AF#: 2744

PAYMENT DUE DATE: July 8, 2013

PAYMENT AMOUNT DUE: \$9,749

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Contributions for Which a 48-Hour Notice Was Not Received

AF 2744

Committee ID: C00466359

Committee Name: Jim Renacci for Congress

Report Type: Amended 30 Day Post General Report (10/18/12 – 11/26/12), received 1/31/13

48-Hour Reporting Period: 10/18/2012 – 11/3/2012

CONTRIBUTOR	DATE	AMOUNT	REPORTING PERIOD
James B. Renacci	10/30/2012	\$96,393.90	GENERAL
	TOTAL	\$96,393.90	

Proposed Civil Money Penalty: \$9,749.00 ((1 Notice Not Filed at \$110 each) + (10% of the Overall Contributions Not Filed))

PATTON BOGGS LLP

2550 M Street, NW
Washington, DC 20037
202-457-6000

Facsimile 202-457-6315
www.pattonboggs.com

June 4, 2013

William J. McGinley
202-457-6561
wmcginley@pattonboggs.com

BY FACSIMILE: (202) 219-3496

Office of Administrative Review
C/O David Garr, Reports Analysis Division
Federal Election Commission
999 E Street, NW
Washington, DC 20463

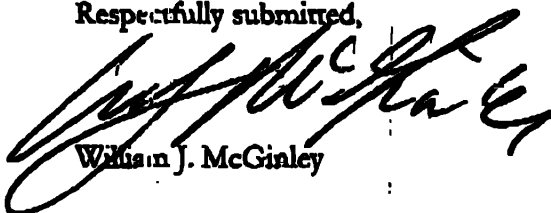
Re: Jim Renacci for Congress
AF# 2744
C00466359

Mr. Garr:

Further to our conversation this morning, please find attached an executed Statement of Designation of Counsel form for our clients, Jim Renacci for Congress and Russell Corwin, as treasurer, in the above-captioned matter. Please direct any future correspondence or questions about this matter to my attention at the contact information listed above.

Please do not hesitate to contact me with any questions.

Respectfully submitted,



William J. McGinley

14092694138



FEDERAL ELECTION COMMISSION

999 E Street, N.W.

Washington, D.C. 20463

Statement of Designation of Counsel

AF# 2744

Name of Counsel: William J. McGinley
Glenn Willard
Benjamin Wood
Annie Donaldson

Firm: Patron Boggs, LLP
2550 M Street, NW
Washington, DC 20037

Telephone: (202) 457-6000

Fax: (202) 457-6315

The above named individuals are hereby designated as counsel and are authorized to receive any notifications and other communications from the Commission and to act on behalf of Jim Renacci for Congress and Russell Corwin, as Treasurer, before the Commission.

6-3-13
Date

Russell Corwin
Russell Corwin, Treasurer
Signature

Name (Print): Jim Renacci for Congress
and Russell Corwin, as Treasurer

Address: 150 Smokerise Drive
Wadsworth, OH 44281

Information is being sought as part of an investigation being conducted by the Federal Election Commission and the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section prohibits making public any investigation conducted by the Federal Election Commission without the express written consent of the person under investigation.

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PATTON BOGGS LLP

2550 M Street, NW
Washington, DC 20037
202-457-6000

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FEC MAIL CENTER

Facsimile 202-457-6315
www.pattonboggs.com

July 3, 2013

William J. McGinley
202-457-6561
wmcginley@pattonboggs.com

VIA HAND DELIVERY

Office of Administrative Review
Federal Election Commission
999 E Street, NW
Washington, DC 20463

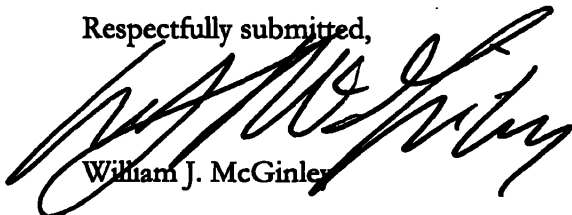
Re: Jim Renacci for Congress
C00466359
AF#: 2744

To Whom It May Concern:

Please find attached the response of our client, Jim Renacci for Congress, to the notification in the above-captioned matter. A Statement of Designation of Counsel was previously submitted to your office.

Please do not hesitate to contact us with any questions.

Respectfully submitted,



William J. McGinley

Attachment

14092694140

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)	
)	AF #2744
Jim Renacci for Congress)	C00466359
and Russell Corwin, as Treasurer)	

RESPONSE OF JIM RENACCI FOR CONGRESS
TO THE REASON TO BELIEVE NOTIFICATION IN AF#2744

This responds on behalf of our client to the reason to believe ("RTB") notification from the Federal Election Commission ("Commission") alleging that Jim Renacci for Congress ("Committee") failed to file a 48-Hour Notice for contributions of \$1,000 or more for a transaction of \$96,393.90, in the above-referenced matter. The notification indicates that the proposed civil penalty at the RTB stage is \$9,749. For the reasons set forth below, the Committee challenges the proposed civil penalty because there are factual errors in the RTB finding.

Specifically, the unique facts in this matter warrant an elimination of the proposed penalty because the transaction at issue did not involve the receipt of funds and thus did not trigger the 48-Hour Notice requirements. Prior to the transaction, the Committee had engaged in debt retirement fundraising to be able to repay candidate loans made in previous campaign cycles as permitted by Commission regulations. *See* 11 C.F.R. 110.1(b)(3)(i). As it neared the end of the 2012 election, the Committee decided to use the debt retirement funds to repay a portion of the candidate loans from previous cycles, and the candidate agreed to loan the Committee the exact same amount for use in the 2012 election. The transaction was completed entirely by a bookkeeping mechanism; no funds were disbursed by or received into the Committee's bank account.

As the RTB letter correctly says, 2 U.S.C. § 434(a)(6)(A) requires campaign committees to report "any contribution of \$1,000 or more *received by* any authorized committee of such candidate after the 20th day, but more than 48 hours before, any election." 2 U.S.C. § 434(a)(6)(A) (emphasis

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added). Likewise, 11 C.F.R. § 104.5(f) requires that “[i]f any contribution of \$1,000 or more *is received* by any authorized committee of a candidate” during the 48-hour reporting period, it must be disclosed. 11 C.F.R. § 104.5(f) (emphasis added). Commission guidance in the Campaign Guide indicates that “contributions or loans from the candidate of \$1,000 or more, *received* less than 20 days but more than 48 hours before any election in which the candidate is running, must be reported on a ‘48-Hour Notice.’” Federal Election Commission Campaign Guide: Congressional Candidates and Committees 92. Both the statute and the regulation, plainly on their face, indicate that it is the “receipt” of funds that triggers reporting requirements.

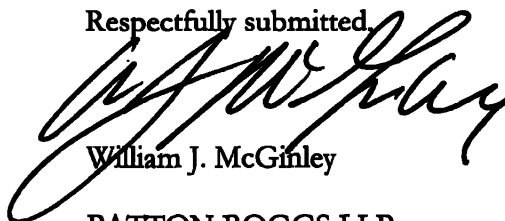
As stated before, the fact of the matter is that no funds were “received” in connection to this transaction, and so the 48-hour reporting requirement could not have been triggered. Commission regulations and guidance indicate that “receipt” is tied to obtaining possession of a contribution, whether it is the receipt of a credit card authorization or receipt of goods or services made as an in-kind contribution to the committee, or a new candidate loan received by the Committee. *See, e.g.* 11 C.F.R. § 102.8; Federal Election Commission Campaign Guide: Congressional Candidates and Committees 23. In no statute, regulation, or guidance does the Commission contemplate that it would be possible to “receive” or “obtain possession of” a contribution if the committee were already in possession of it. At all times during the 48-hour reporting period, the Committee had possession of the \$96,393.96 in question, so it could not have “received” or “obtain[ed] possession” of it again during the 48-hour reporting period.

The Committee then reported the accounting transaction in the Post-General Report to indicate the accounting transaction had been made and the status of the previous and new loans. Because no funds were expended or received, the transaction did not trigger inclusion in the 48-Hour Notices the Committee was filing during the period, disclosing every contribution it *received* during the 48-hour reporting period. Further, by not disclosing this transaction in the 48-hour

reporting period, no voters were deprived of any information regarding the Committee's finances. Based on the reports up to that point, voters were on notice that the candidate had outstanding loans to his committee of \$370,000, a fact that remained true throughout the 48-Hour reporting period and even after the election.

Accordingly, we respectfully request that the Commission eliminate the civil penalty in its entirety and dismiss this matter for the reasons explained above, or in the alternative, reduce the civil penalty to an appropriate amount.

Respectfully submitted,



William J. McGinley

PATTON BOGGS LLP
2550 M Street, NW
Washington, DC 20037
P: (202) 457-6000
F: (202) 457-6315

July 3, 2013



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Via First Class Mail

July 8, 2013

Mr. William McGinley
Patton Boggs, LLP
2550 M Street, NW
Washington, DC 20037

C00466359
AF#: 2744

Dear Mr. McGinley

On July 5, 2013, the Commission's Office of Administrative Review ("OAR") received your written response ("challenge") for Jim Renacci for Congress and Russell Corwin, in official capacity as Treasurer, which is being reviewed by OAR. If you have any questions regarding your challenge, please contact this Office on our toll free number (800)424-9530 (press 0, then ext. 1660) or (202)694-1660.

Sincerely,

A handwritten signature in cursive script that reads "Rhiannon Magruder".

Rhiannon Magruder
Acting Reviewing Officer
Office of Administrative Review

14092694144

Date: July 8, 2013

**REFERRAL TO OFFICE OF ADMINISTRATIVE REVIEW
CHALLENGE RECEIVED**

AF#: 2744

Committee Name: Jim Renacci for Congress

Committee ID#: C00466359

Committee Address (if different than in RTB letter): N/A

Treasurer Name (if different than in RTB finding): N/A

Attachments:

- **Copy of RTB Circulation Report, dated May 24, 2013 and RTB Certification, dated May 30, 2013 (Y/N):** Y
- **Proof of Delivery (to be forwarded at later date if not yet received) (Y/N):** Y
-
- **Other Relevant Telecoms (Y/N):** N
- **Original Correspondence Received by RAD in Response to RTB Letter (Y/N):** N
- **RAD Staff Declaration (Y/N):** Y
 - 2012 30 Day Post-General Report Notice, dated October 1, 2012.
 - Request for Additional Information Letter, dated March 14, 2013.
 - RTB Letter, dated May 30, 2013.
- **Other RAD Information: (Y/N):** N

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Tracking Summary

Tracking Numbers

Tracking Number: 1Z WF5 860 A2 9395 859 8
Type: Package
Status: Delivered
Delivered On: 05/31/2013
10:16 A.M.
Delivered To: WADSWORTH, OH, US
Signed By: CHAZY
Service: NEXT DAY AIR

Tracking results provided by UPS: 06/03/2013 5:12 P.M. ET

NOTICE: UPS authorizes you to use UPS tracking systems solely to track shipments tendered by or for you to UPS for delivery and for no other purpose. Any other use of UPS tracking systems and information is strictly prohibited.

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DECLARATION OF KRISTIN DECARMINE

1. I am the Acting Chief of the Compliance Branch for the Reports Analysis Division of the Federal Election Commission ("Commission"). In my capacity as Acting Chief of the Compliance Branch, I oversee the initial processing of the Administrative Fine Program. I make this declaration based on my personal knowledge and, if called upon as a witness, could and would testify competently to the following matters.
2. I hereby certify that documents identified herein are true and accurate copies of the following sent by the Commission to Jim Renacci for Congress:
 - A) Report Notice, dated October 1, 2012, referencing the reporting requirements of 48-Hour Notices (sent via electronic mail to: bill@renacciforcongress.com);
 - B) Request for Additional Information Letter, dated March 14, 2013, referencing the missing 48-Hour Notices;
 - C) Reason-to-Believe Letter, dated May 30, 2013 referencing the 2012 30 Day Post-General Report.
3. I hereby certify that I have searched the Commission's public records and find that Jim Renacci for Congress has not filed the 48-Hour Notices with the Commission.
4. Pursuant to 28 U.S.C. 1746, I declare under penalty of perjury that the foregoing is true and correct and that all relevant telegrams for the matter have been provided. This declaration was executed at Washington, D.C. on the 8th day of July, 2013.


Kristin DeCarmin
Acting Chief, Compliance Branch
Reports Analysis Division
Federal Election Commission

14092694147



GENERAL ELECTION REPORT NOTICE

FEDERAL ELECTION COMMISSION

CONGRESSIONAL COMMITTEES

October 1, 2012

CURRENT REPORT DUE FOR 2012 GENERAL ELECTION CANDIDATE COMMITTEES

REPORT	REPORTING PERIOD ¹	REGISTRATION & OVERNIGHT MAILING DEADLINE	FILING DEADLINE
Pre-General	10/01/12 - 10/17/12	10/22/12	10/25/12
48-Hour Notices	10/18/12 - 11/03/12	-- general candidates only -- see filing info --	
Post-General	10/18/12 - 11/26/12	12/06/12	12/06/12

REPORTING SCHEDULE FOR REMAINDER OF 2012

2012 GENERAL ELECTION CANDIDATES

REPORT	REPORTING PERIOD ¹	REGISTRATION & OVERNIGHT MAILING DEADLINE	FILING DEADLINE
Year-End	11/27/12 - 12/31/12	01/31/13	01/31/13

UNSUCCESSFUL 2012 PRIMARY ELECTION CAMPAIGN COMMITTEES AND CANDIDATES NOT ACTIVE IN 2012 ELECTIONS

REPORT	REPORTING PERIOD ¹	REGISTRATION & OVERNIGHT MAILING DEADLINE	FILING DEADLINE
Year-End	10/01/12 - 12/31/12	01/31/13	01/31/13

[Click here for Supplemental Filing Information](#)

¹A reporting period always begins the day after the closing date of the last report filed. If the committee is new and has not previously filed a report, the first report must cover all activity that occurred before the committee registered up through the close of books for the first report due.

2012 SUPPLEMENTAL FILING INFORMATION CONGRESSIONAL COMMITTEES

PLEASE NOTE: The Commission provides reminders of upcoming filing dates as a courtesy to help committees comply with the filing deadlines set forth in the Act and Commission regulations. Committee treasurers must comply with all applicable filing deadlines established by law, and the lack of prior notice does not constitute an excuse for failing to comply with any filing deadline.

WHO MUST FILE

Principal campaign committees of congressional candidates ¹ (including unopposed candidates and candidates whose names do not appear on the ballot) must file Quarterly Reports in 2012. ²

Campaigns that raise or spend more than \$5,000 for the 2012 election cycle (and thus trigger registration and reporting requirements) must file quarterly reports throughout 2012, even if the candidate plans to retire, withdraws from the race prior to the primary election, loses the primary or drops out of the race prior to the general election. See 11 CFR 104.5(a)(2).

Before a committee can stop filing with the FEC, it must file a termination report with the Commission. See 11 CFR 102.3. Committees must continue to file reports until the Commission notifies them in writing that their termination report has been accepted.

METHODS OF FILING REPORTS

Electronic Filing

Reports filed electronically must be received and validated by the Commission by 11:59 p.m. Eastern Time on the filing deadline. See 11 CFR 104.5(e). See also 11 CFR 104.18 and 100.19.

- Web Page: Electronic Filing Page
- Campaign Guide for Congressional Candidates and Committees (Candidate Guide), pp. 83-86 [PDF]

Paper Filing - Meeting the Filing Deadline

Paper Report filing options -- Registered, Certified or Overnight or First Class Mail.

See 11 CFR 104.5(e). See also 11 CFR 100.19.

- Web Page: Link to Paper Forms (for downloading and printing)
- Candidate Guide, p. 82 [PDF]

¹ Generally, an individual becomes a candidate for federal office (and thus triggers registration and reporting obligations) when his or her campaign exceeds \$5,000 in either contributions or expenditures. If the campaign has not crossed the \$5,000 threshold, it is not required to file reports. See 11 CFR 100.3(a). See also 11 CFR 104.5(a).

² If a candidate has more than one authorized committee, the principal campaign committee files a consolidated report on Form 3Z [PDF]. See 11 CFR 104.3(f).

PRE- AND POST-ELECTION REPORTS

The principal campaign committee of any candidate participating in a 2012 state primary, nominating convention or runoff election -- even if unopposed -- must also file a pre-election report 12 days prior to the primary, nominating convention or runoff. The principal campaign committee of a candidate who participates in the general election must file pre- and post-general election reports. See 11 CFR 104.5(a)(2).

- Web Page: 2012 Congressional Pre-Primary Reporting Dates
- The Record:
 - FEC Record Blog: Reporting
 - January 2012 issue [PDF]
- Candidate Guide, pp. 81-82 [PDF]

48 HOUR NOTICES OF CONTRIBUTIONS

The principal campaign committee must file notices if any authorized committees receive any contribution (including in-kind gifts or advances of goods or services; loans from the candidate or other non-bank sources; and guarantees or endorsements of bank loans to the candidate or committee) of \$1,000 or more per source, during the period less than 20 days but more than 48 hours before any election in which the candidate is running. See 11 CFR 104.5(f).

The notices must reach the appropriate federal filing office within 48 hours of the committee's receipt of the contribution(s). Campaign committees that file electronically MUST submit their 48-hour notices electronically. See 11 CFR 104.5(f).

- Web Page: Electronic Filing Page
- Web Page: Link to Paper Forms (for downloading and printing)
- Web Page: Link to Web Form 6 (for online submission)
- Form 6 Fax numbers
 - Senate campaigns (Secretary of the Senate): (202) 224-1851
 - House Campaigns (FEC): (202) 219-0174
- Campaign Guide: Candidate Guide, p. 81 [PDF]

2012 REPORTING SCHEDULE

- Web Page: 2012 Reporting Dates Page
- The Record:
 - FEC Record Blog: Reporting
 - January 2012 issue [PDF]
- Candidate Guide, p. 83 [PDF]

COMPLIANCE

Treasurer Responsibility

Committee Treasurers are responsible for both the timeliness and the accuracy of all reports. They may be subject to monetary penalties if reports are inaccurate or are not filed on time. See 11 CFR 104.14(d).

- Statement of Policy Regarding Treasurers Subject to Enforcement Proceedings [PDF]
- Candidate Guide, p. 7-9 [PDF]

Administrative Fine Program

Political committees and their treasurers who fail to file their reports on time may be subject to civil money penalties up to \$17,600 (or more for repeat late- and non-filers).³ See generally, 11 CFR Part 111 Subpart B. See also 11 CFR 111.43.

- Web Page: Administrative Fine Program
- Candidate Guide, pp. 82-83 [PDF]

DISCLOSURE OF LOBBYIST BUNDLING ACTIVITY

Campaign committees must file FEC Form 3L [PDF] if they receive two or more bundled contributions from lobbyists/registrants or lobbyist/registrant PACs that aggregate in excess of \$16,700 during the applicable reporting period (see page 1 of this notice). See 11 CFR 104.22 and 11 CFR 110.17(f).

- The Record: March 2009 issue [PDF]
- Candidate Guide, Appendix F, pp. 155-161 [PDF]

IMPORTANT FILING INFORMATION - PAPER FILERS

In response to the 2001 anthrax threat, the U.S. Postal Service is irradiating mail directed to many federal agencies, including the FEC and the Secretary of the Senate.⁴ This process has not only delayed mail delivery, it has also damaged and in some cases destroyed pieces of mail. As a result, committees that file reports with the FEC may want to consider submitting their reports by some means other than U.S. mail. Alternative methods include electronic filing, overnight mail or delivery service, and hand delivery.

³ Penalties for late- or non-filing of 48-hour notices are based on the amount of contributions not timely disclosed. As a result, these penalties may exceed \$17,600, even for first-time violations.

⁴ Senate committees should contact the Secretary of the Senate at (202) 224-0322 for more information on filing reports via US mail.

FOR INFORMATION, CALL: (800) 424-9530 or (202) 694-1100



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

March 14, 2013

RUSSELL CORWIN, TREASURER
JIM RENACCI FOR CONGRESS
150 SMOKERISE DRIVE
WADSWORTH, OH 44281-8701

Response Due Date

04/18/2013

IDENTIFICATION NUMBER: C00466359

REFERENCE: AMENDED 30 DAY POST-GENERAL REPORT (10/18/2012 -
11/26/2012), RECEIVED 01/31/2013

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 1 item(s):

- Schedule A of your report indicates that your committee may have failed to file one or more of the required 48-hour notices regarding "last minute" contributions received by your committee after the close of books for the 12 Day Pre-General Report (see attached). A principal campaign committee must notify the Commission, in writing, within 48 hours of any contribution of \$1,000 or more received between two and twenty days before an election. These contributions are then reported on the next report required to be filed by the committee. To ensure that the Commission is notified of last minute contributions of \$1,000 or more to your campaign, it is recommended that you review your procedures for checking contributions received during the aforementioned time period. The failure to file 48-hour notices may result in civil money penalties or legal enforcement action. If any contribution of \$1,000 or more was incorrectly reported, you must amend your original report with the clarifying information. (11 CFR § 104.5(f))

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to

14092694152

JIM RENACCI FOR CONGRESS

Page 2 of 2

taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended.

If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1132.

Sincerely,



Chris Jones
Senior Campaign Finance Analyst
Reports Analysis Division

Missing 48-Hour Notices
Jim Renacci for Congress (C00466359)

Contributor Name	Date	Amount	Election
James B. Renacci	10/20/12	\$96,393.90	G2010

14092694154



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2013 AUG 25 AM 9:22

SENSITIVE

August 23, 2013

MEMORANDUM

To: The Commission

Through: Alec Palmer *AP*
Staff Director

From: Patricia C. Orrock *PCO*
Chief Compliance Officer

Rhiannon Magruder *RM*
Acting Reviewing Officer
Office of Administrative Review

Subject: Reviewing Officer Recommendation in AF# 2744 – Jim Renacci for
Congress and Russell Corwin, in his official capacity as Treasurer
(C00466359)

The attached Reviewing Officer Recommendation is being circulated on an informational basis. A copy was also sent to the respondents in accordance with 11 C.F.R. § 111.36(f). The respondents may file with the Commission Secretary a written response within 10 days of transmittal of the recommendation.

After the 10 day period, the Reviewing Officer Recommendation and the respondents' written response, if any, will be circulated to the Commission to make a final determination.

Attachment

14092694155



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 23, 2013

**REVIEWING OFFICER RECOMMENDATION
OFFICE OF ADMINISTRATIVE REVIEW ("OAR")**

AF# 2744 – Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer
(C00466359)

Summary of Recommendation

Make a final determination that the respondents violated 2 U.S.C. § 434(a) and assess a \$9,749 civil money penalty.

Reason-to-Believe Background

On May 29, 2013, the Federal Election Commission ("the Commission") found reason to believe ("RTB") that Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer ("the respondents"), violated 2 U.S.C. § 434(a) for failing to file 48-Hour Notices for one contribution totaling \$96,393.90 for the 2012 General Election and made a preliminary determination that the civil money penalty was \$9,749 based on the schedule of penalties at 11 C.F.R. § 111.44. A letter, dated May 30, 2013, was sent to the respondents' address of record by the Reports Analysis Division ("RAD") to notify them of the Commission's RTB finding and civil money penalty.

Legal Requirements

The Federal Election Campaign Act ("Act") requires that the principal campaign committee of a candidate must notify the Commission, in writing, of any contribution of \$1,000 or more received after the 20th day but more than 48 hours before an election. The principal campaign committee must notify the Commission within 48 hours of receipt of the contribution. The 48-hour notification shall be in addition to all other reporting requirements under the Act. 2 U.S.C. § 434(a)(6)(A) and 11 C.F.R. § 104.5(f). The treasurer shall be personally responsible for the timely filing of reports. 11 C.F.R. § 104.14(d).

Respondents' Challenge

On July 5, 2013, the Commission received the written response from the respondents' Counsel, Mr. William J. McGinley. In the response, Mr. McGinley states:

"...[T]he transaction at issue did not involve the receipt of funds and thus did not trigger the 48-Hour Notice requirements. Prior to the transaction, the Committee had engaged in debt retirement fundraising to be able to repay candidate loans made in previous campaign cycles as permitted by Commission regulations. See 11 C.F.R. 110.1(b)(3)(i). As it neared the end of the 2012 election, the Committee decided to use the debt retirement funds to repay a portion of the candidate loans from previous cycles, and the candidate agreed to loan the Committee the exact

same amount for use in the 2012 election. The transaction was completed entirely by a bookkeeping mechanism; no funds were disbursed by or received into the Committee's bank account.

...Both the statute and the regulation, plainly on their face, indicate that it is the 'receipt' of funds that triggers reporting requirements...Commission regulations and guidance indicate that 'receipt' is tied to obtaining possession of a contribution, whether it is the receipt of a credit card authorization or receipt of goods or services made as an in-kind contribution to the committee, or a new candidate loan received by the Committee. At all times during the 48-hour reporting period, the Committee had possession of the \$96,393.90 in question, so it could not have 'received' or 'obtain[ed] possession' of it again during the 48-hour reporting period...

...[B]y not disclosing this transaction in the 48-hour reporting period, no voters were deprived of any information regarding the Committee's finances. Based on the reports up to that point, voters were on notice that the candidate had outstanding loans to his committee of \$370,000, a fact that remained true throughout the 48-Hour reporting period and even after the election."

Supplemental Request and Response

On July 15, 2013, the Office of Administrative Review (OAR) requested guidance from the Office of General Counsel (OGC) to determine if the October 30, 2012 transaction of \$96,393.90 is considered a contribution received by the Committee and ultimately requires a 48-Hour Notice.

On August 15, 2013, OAR received OGC's response. OGC concludes that on October 30, 2012, the Committee received a \$96,393.90 contribution in the form of a candidate loan for the purpose of influencing the 2012 General Election. The contribution was received during the 48-Hour Notice reporting period; therefore, the Committee was required to file the 48-Hour Notice.

Analysis

The respondents' Counsel contends the Committee did not "receive" any additional funds in connection with the October 30, 2012 candidate loan of \$96,393.90. Furthermore, the transaction was a "bookkeeping mechanism" used to reflect that the Committee repaid candidate loans from previous election cycles, and the Candidate subsequently loaned the exact amount for the 2012 election cycle. However, OGC concludes that this transaction did in fact result in the Committee receiving an additional \$96,393.90 for the purpose of influencing the 2012 General Election.

11 C.F.R. § 100.52(a) defines a contribution to be a gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office. Given that candidate loans are defined as contributions, a 48-Hour Notice was required for the October 30 candidate loan of \$96,393.90, as it exceeded \$1,000 and occurred during the October 18 through November 3, 2012 48-Hour Notice window for the 2012 General Election.

14092694158

The respondents' Counsel also contends that "no voters were deprived of any information regarding the Committee's finances," and the Committee's previous reports accurately reflected the outstanding candidate loan balance of \$370,000. While the aggregate loan balance may have remained unchanged, the previously reported candidate loans were all designated to previous election cycles. As OGC notes, the October 30 loan of \$96,393.90 substantially increased the Committee's available 2012 General Election funds just seven days before the General Election. As a last-minute contribution that was not reported on a 48-Hour Notice, the loan escaped pre-election disclosure.

The Reviewing Officer recommends that the Commission make a final determination that the respondents violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$9,749.

OAR Recommendations

- (1) Adopt the Reviewing Officer recommendation for AF# 2744 involving Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer, in making the final determination;
- (2) Make a final determination in AF# 2744 that Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$9,749; and
- (3) Send the appropriate letter.

Acting Reviewing Officer: Rhiannon Magruder

Attachments

- Attachment 1 – Challenge Received from Respondents
- Attachment 2 –
- Attachment 3 – Declaration from RAD
- Attachment 4 – Declaration from OAR

DECLARATION OF RHIANNON MAGRUDER

- 1) I am the Acting Reviewing Officer in the Office of Administrative Review for the Federal Election Commission ("Commission"). In my capacity as Reviewing Officer, I conduct research with respect to all challenges submitted in accordance with the Administrative Fine program.
- 2) The principal campaign committee of a candidate must file notifications disclosing contributions of \$1,000 or more which are received between October 18 and November 3, 2012. These notifications (also called 48-Hour Notices) must be filed with the Commission within 48 hours of the committee's receipt of the contribution(s).
- 3) It is the practice of the Reports Analysis Division to document all calls to or from committees regarding a letter they receive or any questions relating to the administrative fine regulations, including due dates of reports and filing requirements.
- 4) I hereby certify that I have searched the Commission's public records and that the documents identified herein are the true and accurate copies of:
 - a) Report Cover Page and 1 page of Schedule A for the Amended 2012 30 Day Post-General Report filed by Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer. According to the Commission's records, the report covers the period from October 18 through November 26, 2012, and was received on January 31, 2013. Schedule A lists the receipt of 1 contribution totaling \$96,393.90 on October 30, 2012. The contribution equals \$1,000 or more.
- 5) Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Washington, D.C. on the 23rd day of August, 2013.



Rhiannon Magruder
Acting Reviewing Officer
Office of Administrative Review
Federal Election Commission

14092694159

**FEC
FORM 3****REPORT OF RECEIPTS
AND DISBURSEMENTS**
For An Authorized Committee

Office Use Only

1. NAME OF COMMITTEE (in full) TYPE OR PRINT ▼ Example: If typing, type over the lines. 12FE4M5

Jim Renacci for Congress

ADDRESS (number and street) ▼

150 Smokerise Drive

Check if different
than previously
reported. (ACC)

Wadsworth

OH

44281-8701

2. FEC IDENTIFICATION NUMBER ▼

C C00466359

CITY ▲

STATE ▲

ZIP CODE ▲

STATE ▼ DISTRICT

3. IS THIS
REPORTNEW
(N)

OR

X AMENDED
(A)

OH

16

4. TYPE OF REPORT (Choose One)

(a) Quarterly Reports:

April 15 Quarterly Report (Q1)

July 15 Quarterly Report (Q2)

October 15 Quarterly Report (Q3)

January 31 Year-End Report (YE)

Termination Report (TER)

(b) 12-Day PRE-Election Report for the:

Primary (12P)

General (12G)

Runoff (12R)

Convention (12C)

Special (12S)

Election on

in the
State of

(c) 30-Day POST-Election Report for the:

X General (30G)

Runoff (30R)

Special (30S)

Election on

11

06

2012

in the
State of

OH

5. Covering Period 10 18 2012 through 11 26 2012

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Russell Corwin

Signature of Treasurer

Russell Corwin

(Electronically Filed)

Date

01

31

2013

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

Office
Use
Only**FEC FORM 3**
(Revised 02/2003)

SCHEDULE A (FEC Form 3)
ITEMIZED RECEIPTS

 Use separate schedule(s)
 for each category of the
 Detailed Summary Page

FOR LINE NUMBER: PAGE 88 OF 137

(check only one)

<input type="checkbox"/> 11a	<input type="checkbox"/> 11b	<input type="checkbox"/> 11c	<input type="checkbox"/> 11d
<input type="checkbox"/> 12	<input checked="" type="checkbox"/> 13a	<input type="checkbox"/> 13b	<input type="checkbox"/> 14
			<input type="checkbox"/> 15

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

Jim Renacci for Congress

Full Name (Last, First, Middle Initial)

James B Renacci

A. Mailing Address PO Box 88

City

Wadsworth

State

OH

Zip Code

44282-0088

FEC ID number of contributing federal political committee.

C

Name of Employer

Self-Employed

Occupation

Self-Employed

Receipt For: 2012

Primary ☒ General

Other (specify)

Election Cycle-to-Date

96393.9

Date of Receipt

10 30 2012

Transaction ID : A-L5

Amount of Each Receipt this Period

96393.9

loan

Full Name (Last, First, Middle Initial)

B. Mailing Address

City

State

Zip Code

FEC ID number of contributing federal political committee.

C

Name of Employer

Occupation

Receipt For:

Primary General

Other (specify)

Election Cycle-to-Date

Date of Receipt

Amount of Each Receipt this Period

Full Name (Last, First, Middle Initial)

C. Mailing Address

City

State

Zip Code

FEC ID number of contributing federal political committee.

C

Name of Employer

Occupation

Receipt For:

Primary General

Other (specify)

Election Cycle-to-Date

Date of Receipt

Amount of Each Receipt this Period

SUBTOTAL of Receipts This Page (optional)

96393.90

TOTAL This Period (last page this line number only)

96393.90

14092694161



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

VIA OVERNIGHT DELIVERY

August 23, 2013

Mr. William J. McGinley
Patton Boggs, LLP
2550 M Street, NW
Washington, DC 20037

C00466359
AF# 2744

Dear Mr. McGinley:

On May 29, 2013, the Federal Election Commission ("Commission") found reason to believe ("RTB") that Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer ("respondents"), violated 2 U.S.C. § 434(a) for failing to file 48-Hour Notices for the 2012 General Election. The Commission also made a preliminary determination that the civil money penalty was \$9,749 based on the schedule of penalties at 11 C.F.R. § 111.44.

After reviewing the written response and any supplemental information submitted by you and Commission staff, the Reviewing Officer has recommended that the Commission make a final determination in this matter. A copy of the Reviewing Officer Recommendation is attached.

You may file with the Commission Secretary a written response to the recommendation within 10 days of the date of this letter. Your written response should be sent to the Commission Secretary, 999 E Street, NW, Washington, DC 20463 or via facsimile (202-208-3333). Please include the AF # in your response. Your response may not raise any arguments not raised in your original written responses or not directly responsive to the Reviewing Officer's recommendation. 11 C.F.R. § 111.36(f). The Commission will then make a final determination in these matters.

Please contact me at the toll free number 800-424-9530 (press 0, then press 1660) or 202-694-1660 if you have any questions

Sincerely,

A handwritten signature in black ink that reads "Rhiannon Magruder". The signature is written in a cursive, flowing style.

Rhiannon Magruder
Acting Reviewing Officer
Office of Administrative Review

14092694162

PATTON BOGGS LLP

RECEIVED

2013 AUG 30 PM 2: 58
FEC MAIL CENTER

2550 M Street, NW
Washington, DC 20037
202-457-6000

Facsimile 202-457-6315
www.pattonboggs.com

August 28, 2013

William J. McGinley
202-457-6561
wmcginley@pattonboggs.com

VIA FACSIMILE: 202-208-3333

Ms. Shawn Woodhead Werth
Secretary & Clerk
Federal Election Commission
999 E Street, NW
Washington, DC 20463

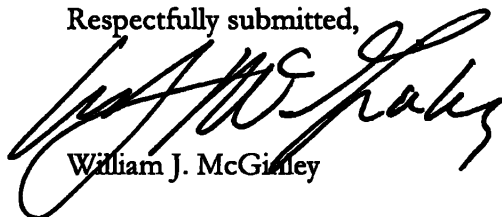
Re: Jim Renacci for Congress and Russell Corwin, as Treasurer
C00466359
AF#2744

Dear Ms. Werth:

Please find attached the response of our clients, Jim Renacci for Congress and Russell Corwin, as Treasurer, to the August 23, 2013 notification of the Reviewing Officer's recommendation in the above-captioned matter.

Please do not hesitate to contact me with any questions.

Respectfully submitted,



William J. McGinley

2013 SEP -3 P 12:12

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

14092694163

PATTON BOGGS LLP

RECEIVED

2550 M Street, NW
Washington, DC 20037

2013 JUL -3 PM 2:06

COPY

MAIL CENTER

202-457-6000

Facsimile 202-457-6315
www.pattonboggs.com

July 3, 2013

William J. McGinley
202-457-6561
wmcginley@pattonboggs.com

VIA HAND DELIVERY

Office of Administrative Review
Federal Election Commission
999 E Street, NW
Washington, DC 20463

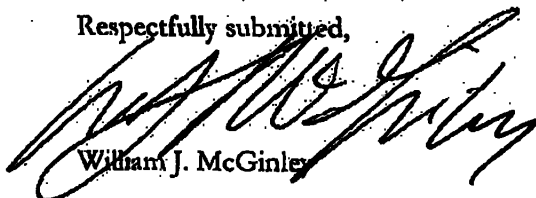
Re: Jim Renacci for Congress
C00466359
AF#: 2744

To Whom It May Concern:

Please find attached the response of our client, Jim Renacci for Congress, to the notification in the above-captioned matter. A Statement of Designation of Counsel was previously submitted to your office.

Please do not hesitate to contact us with any questions.

Respectfully submitted,



William J. McGinley

Attachment

14092694164

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of)
)
Jim Renacci for Congress) AF #2744
and Russell Corwin, as Treasurer) C00466359

RESPONSE OF JIM RENACCI FOR CONGRESS
TO THE REASON TO BELIEVE NOTIFICATION IN AF#2744

This responds on behalf of our client to the reason to believe ("RTB") notification from the Federal Election Commission ("Commission") alleging that Jim Renacci for Congress ("Committee") failed to file a 48-Hour Notice for contributions of \$1,000 or more for a transaction of \$96,393.90, in the above-referenced matter. The notification indicates that the proposed civil penalty at the RTB stage is \$9,749. For the reasons set forth below, the Committee challenges the proposed civil penalty because there are factual errors in the RTB finding.

Specifically, the unique facts in this matter warrant an elimination of the proposed penalty because the transaction at issue did not involve the receipt of funds and thus did not trigger the 48-Hour Notice requirements. Prior to the transaction, the Committee had engaged in debt retirement fundraising to be able to repay candidate loans made in previous campaign cycles as permitted by Commission regulations. See 11 C.F.R. 110.1(b)(3)(i). As it neared the end of the 2012 election, the Committee decided to use the debt retirement funds to repay a portion of the candidate loans from previous cycles, and the candidate agreed to loan the Committee the exact same amount for use in the 2012 election. The transaction was completed entirely by a bookkeeping mechanism; no funds were disbursed by or received into the Committee's bank account.

As the RTB letter correctly says, 2 U.S.C. § 434(a)(6)(A) requires campaign committees to report "any contribution of \$1,000 or more *received by* any authorized committee of such candidate after the 20th day, but more than 48 hours before, any election." 2 U.S.C. § 434(a)(6)(A) (emphasis

14092694166

added). Likewise, 11 C.F.R. § 104.5(f) requires that "[i]f any contribution of \$1,000 or more *is received* by any authorized committee of a candidate" during the 48-hour reporting period, it must be disclosed. 11 C.F.R. § 104.5(f) (emphasis added). Commission guidance in the Campaign Guide indicates that "contributions or loans from the candidate of \$1,000 or more, *received* less than 20 days but more than 48 hours before any election in which the candidate is running, must be reported on a '48-Hour Notice.'" Federal Election Commission Campaign Guide: Congressional Candidates and Committees 92. Both the statute and the regulation, plainly on their face, indicate that it is the "receipt" of funds that triggers reporting requirements.

As stated before, the fact of the matter is that no funds were "received" in connection to this transaction, and so the 48-hour reporting requirement could not have been triggered. Commission regulations and guidance indicate that "receipt" is tied to obtaining possession of a contribution,

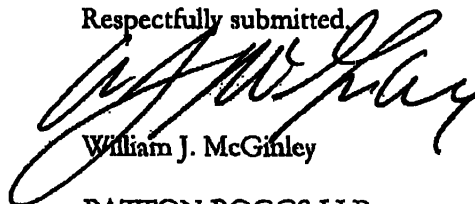
~~whether it is the receipt of a credit card authorization or receipt of goods or services made as an in-~~
kind contribution to the committee, or a new candidate loan received by the Committee. *See, e.g.* 11 C.F.R. § 102.8; Federal Election Commission Campaign Guide: Congressional Candidates and Committees 23. In no statute, regulation, or guidance does the Commission contemplate that it would be possible to "receive" or "obtain possession of" a contribution if the committee were already in possession of it. At all times during the 48-hour reporting period, the Committee had possession of the \$96,393.90 in question, so it could not have "received" or "obtain[ed] possession" of it again during the 48-hour reporting period.

The Committee then reported the accounting transaction in the Post-General Report to indicate the accounting transaction had been made and the status of the previous and new loans. Because no funds were expended or received, the transaction did not trigger inclusion in the 48-Hour Notices the Committee was filing during the period, disclosing every contribution it *received* during the 48-hour reporting period. Further, by not disclosing this transaction in the 48-hour

reporting period, no voters were deprived of any information regarding the Committee's finances. Based on the reports up to that point, voters were on notice that the candidate had outstanding loans to his committee of \$370,000, a fact that remained true throughout the 48-Hour reporting period and even after the election.

Accordingly, we respectfully request that the Commission eliminate the civil penalty in its entirety and dismiss this matter for the reasons explained above, or in the alternative, reduce the civil penalty to an appropriate amount.

Respectfully submitted,



William J. McGinley

PATTON BOGGS LLP

2550 M Street, NW

Washington, DC 20037

P: (202) 457-6000

F: (202) 457-6315

July 3, 2013

14092694167



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2013 SEP 16 PM 4: 09

September 16, 2013

MEMORANDUM

SENSITIVE

To: The Commission

Through: Alec Palmer
Staff Director

AP

From: Patricia C. O'rock
Chief Compliance Officer

PO

Rhiannon Magruder
Acting Reviewing Officer
Office of Administrative Review

RM

Subject: Final Determination Recommendation in AF# 2744 – Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer (C00466359).

On May 29, 2013, the Commission found reason to believe ("RTB") that the respondents violated 2 U.S.C. § 434(a) for failing to file 48-Hour Notices for the 2012 General Election and made a preliminary determination that the civil money penalty was \$9,749, based on the schedule of penalties at 11 C.F.R. § 111.44.

On July 5, 2013, the Commission received their written response ("challenge"). After reviewing the challenge, the Reviewing Officer Recommendation ("ROR") dated August 23, 2013 was forwarded to the Commission, a copy was forwarded to the respondents, and is hereby incorporated by reference. The Reviewing Officer recommended that the Commission make a final determination that they violated 2 U.S.C. § 434(a) and assess a \$9,749 civil money penalty because they submitted no evidence that a factual error was made in the RTB finding, that the penalty was miscalculated at RTB or that they used best efforts to file on time. 11 C.F.R. § 111.35(b).

Within 10 days of transmittal of the recommendation, they may file a written response with the Commission Secretary which may not raise any arguments not raised in their challenge or not directly responsive to the ROR. 11 C.F.R. § 111.36(f). On August 30, 2013, the Commission received their written response, which contained a copy of the original challenge.

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OAR Recommendations

- (1) Adopt the Reviewing Officer recommendation for AF# 2744 involving Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer, in making the final determination;
- (2) Make a final determination in AF# 2744 that Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$9,749; and
- (3) Send the appropriate letter.

Acting Reviewing Officer: Rhiannon Magruder

Attachment: Response to ROR

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) AF 2744
Jim Renacci for Congress and Russell)
Corwin, in his official capacity as)
Treasurer (C00466359)

CERTIFICATION

I, Shawn Woodhead Werth, recording secretary for the Federal Election Commission executive session on November 07, 2013, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in AF# 2744:

1. Adopt the Reviewing Officer recommendation for AF# 2744 involving Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer, in making the final determination.
2. Make a final determination in AF# 2744 that Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty of \$9,749.
3. Send the appropriate letter.

Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voted affirmatively for the decision.

Attest:

November 8, 2013
Date

Shawn Woodhead Werth
Shawn Woodhead Werth
Secretary and Clerk of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 15, 2013

VIA OVERNIGHT DELIVERY

Mr. William J. McGinley
Patton Boggs, LLP
2550 M Street, NW
Washington, DC 20037

C00466359
AF# 2744

Dear Mr. McGinley:

On May 29, 2013, the Federal Election Commission ("the Commission") found reason to believe ("RTB") that Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer, violated 2 U.S.C. § 434(a) for failing to file 48-Hour Notices for the 2012 General Election. By letter dated May 30, 2013, the Commission sent notification of the RTB finding that included a civil money penalty calculated at RTB of \$9,749 in accordance with the schedule of penalties at 11 C.F.R. § 111.44. On July 5, 2013, the Office of Administrative Review received your written response, challenging the RTB finding.

The Reviewing Officer reviewed the Commission's RTB finding with its supporting documentation and the written response. Based on this review, the Reviewing Officer recommended that the Commission make a final determination that Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer, violated 2 U.S.C. § 434(a) and assess a civil money penalty in the amount of \$9,749 in accordance with 11 C.F.R. § 111.44. The basis for the recommendation was included in the Reviewing Officer Recommendation, a copy of which was sent to you on August 23, 2013.

On August 30, 2013, the Commission received your written response. On November 7, 2013, the Commission adopted the Reviewing Officer's recommendation and made a final determination that Jim Renacci for Congress and Russell Corwin, in his official capacity as Treasurer, violated 2 U.S.C. § 434(a) and assessed a civil money penalty of \$9,749. It is based on the same factors used to calculate the civil money penalty at RTB. A copy of the final determination recommendation is attached.

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At this juncture, the following courses of action are available to you:

1. If You Choose to Appeal the Final Determination and/or Civil Money Penalty

If you choose to appeal the final determination, you should submit a written petition, within 30 days of receipt of this letter, to the district court of the United States for the district in which the committee or you reside, or transact business, requesting that the final determination be modified or set aside. See 2 U.S.C. § 437g(a)(4)(C)(iii). Your failure to raise an argument in a timely fashion during the administrative process shall be deemed a waiver of the respondents' right to present such argument in a petition to the district court under 2 U.S.C. § 437g. 11 CFR § 111.38.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Appeal

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA") as amended by the Debt Collection Improvement Act of 1996 ("DCIA"), 31 U.S.C. § 3701 *et seq.* If you do not pay this debt within 30 days (or file a written petition to a federal district court - see below), the Commission will transfer the debt to the U.S. Department of the Treasury ("Treasury") for collection. Within 5 days of the transfer to Treasury, Treasury will contact you to request payment. Treasury currently charges a fee of 28% of the civil money penalty amount for its collection services. The fee will be added to the amount of the civil money penalty that you owe. Should Treasury's attempts fail, Treasury will refer the debt to a private collection agency ("PCA"). If the debt remains unpaid, Treasury may recommend that the Commission refer the matter to the Department of Justice for litigation.

Actions which may be taken to enforce recovery of a delinquent debt by Treasury may also include: (1) offset of any payments, which the debtor is due, including tax refunds and salary; (2) referral of the debt to agency counsel for litigation; (3) reporting of the debt to a credit bureau; (4) administrative wage garnishment; and (5) reporting of the debt, if discharged, to the IRS as potential taxable income. In addition, under the provisions of DCIA and other statutes applicable to the FEC, the debtor may be subject to the assessment of other statutory interest, penalties, and administrative costs.

In accordance with the DCIA, at your request, the agency will offer you the opportunity to inspect and copy records relating to the debt, the opportunity for a review of the debt, and the opportunity to enter into a written repayment agreement.

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the civil money penalty, send the enclosed remittance form, along with your payment, to the address on page 4 within 30 days of receipt of this letter.

NOTICE REGARDING PARTIAL PAYMENTS AND SETTLEMENT OFFERS

4. Partial Payments

If you make a payment in an amount less than the civil money penalty, the amount of your partial payment will be credited towards the full civil money penalty that the Commission assessed upon making a final determination.

5. **Settlement Offers**

If you make a payment in an amount less than the civil money penalty as an offer to settle or compromise a debt owed to the Commission, the offer is herewith rejected despite any restrictive endorsements contained on your check or money order or proposed in correspondence transmitted with your check or money order. Acceptance and deposit or cashing of such a restricted payment does not constitute acceptance of the settlement offer. Payments containing restrictive endorsements will be deposited and treated as a partial payment towards the civil money penalty that the Commission assessed upon making a final determination. All unpaid civil money penalty amounts remaining will be subject to the debt collection procedures set forth in Section 2, above.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. The file will be made a part of the public record pursuant to 11 CFR § 111.42(b). Although the file must be placed on the public record within thirty (30) days from the date of the Commission's notification, this could occur at anytime following certification of the Commission's vote.

If you have any questions regarding the payment of the civil money penalty, please contact Rhiannon Magruder on our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

On behalf of the Commission,



Ellen L. Weintraub
Chair

ADMINISTRATIVE FINE PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 C.F.R. § 111.44, the civil money penalty is \$9,749 for 48-Hour Notices for the 2012 General Election.

This penalty should be paid by check or money order, made payable to the Federal Election Commission. It should be sent by mail to:

Federal Election Commission
PO Box 979058
St. Louis, MO 63197-9000

If you choose to send your payment by courier or overnight delivery, please use this address:

U.S. Bank - Government Lockbox
FEC # 979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

The form and payment are due within 30 days of receipt of this letter.

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTs). Your account will be electronically debited for the amount on the check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: Jim Renacci for Congress

FEC ID#: C00466359

AF#: 2744

PAYMENT AMOUNT DUE: \$9,749

FEDERAL ELECTION COMMISSION

Lockbox: GLX-979058 Ledger Date 12/18/2013



Batch	Item	TID	Batch Total	Amount
1	1	Y-3048267	\$9,749.00	\$9,749.00

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usbank

St. Louis GA Lockbox
(314) 425-1818



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE END OF ADMINISTRATIVE FINE CASE # 2744

DATE SCANNED

2/7/14

SCANNER NO.

2

SCAN OPERATOR

SES

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